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FARM ORGANIZATIONS

HEARING

BEFORE THE

COMMITTEE ON BANKING AND CURRENCY OF THE HOUSE OF REPRESENTATIVES

FRIDAY, JANUARY 21, 1921

STATEMENT OF

MR. T. C. ATKESON

Representative of the National Grange
Washington, D. C.



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COMMITTEE ON BANKING AND CURRENCY.

HOUSE OF REPRESENTATIVES.

SIXTY-SIXTH CONGRESS, THIRD SESSION.

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FREDERIC H. BLACKFORD, *Clerk.*

FARM ORGANIZATIONS.

COMMITTEE ON BANKING AND CURRENCY,
HOUSE OF REPRESENTATIVES,
Washington, D. C., Friday, January 21, 1921.

The committee met, pursuant to the call of the chairman, at 2 o'clock p. m., in the committee room in the Capitol, Hon. Louis T. McFadden (chairman) presiding.

The CHAIRMAN. The committee will come to order. Dr. Atkeson is here to be heard, and he will proceed.

STATEMENT OF MR. T. C. ATKESON, REPRESENTATIVE OF THE NATIONAL GRANGE IN WASHINGTON, D. C.

MR. ATKESON. I am the representative of the National Grange in Washington. I am just a little at a loss, Mr. Chairman, to know what this committee wants.

The CHAIRMAN. Well, just so that it may be clear: Your coming before the committee is the result of a letter which I received from you asking that you be permitted to be heard, and I think that we had, perhaps, better put your letter right in the record at this point. (The letter referred to is here printed in the record, as follows:)

NATIONAL GRANGE,
Washington, D. C., January 12, 1921.

HON. LOUIS T. MCFADDEN,
*Chairman Committee on Banking and Currency,
House of Representatives, Washington, D. C.*

DEAR SIR: We note a reference in the newspapers to the fact that your committee is to make an investigation "to ascertain who finances the various farm organizations which call upon Congress with great frequency to enact 'special legislation.'"

The National Grange is a farmers' organization which maintains a Washington office and a Washington representative who appears frequently before congressional committees in the interests of legislation which is deemed to be of national importance and opposed to legislation which is deemed to be in the interest of personal or class interests.

It may be that this activity of the National Grange brings this organization within the list of farm organizations relative to which your committee wishes to ascertain the sources of their financial support.

Whether this is true or not, I will welcome the fullest possible investigation and stand ready to submit not only a detailed statement of the receipts and expenditures of this office, but also a detailed statement as to the source of the financial support of the entire Grange organization.

Will you not advise me as to when hearings are held on this matter, so that I may be present at these hearings.

Yours, sincerely,

T. C. ATKESON,
Washington Representative.

MR. ATKESON. I am perfectly willing to have that letter in the record, as it discloses the purpose of the hearing.

The CHAIRMAN. I might say in addition to that that we have been hearing Mr. Benjamin C. Marsh, secretary and director of the:

Farmers' National Council, and that we have also heard Mr. Gray Silver, the Washington representative of the American Farm Bureau Federation, and in addition to the matters which they presented to the committee we have been asking them some pertinent questions regarding who they are and what they are doing, and we would like to get that same information from you, together with any other facts that you may care to present to the committee.

Mr. ATKESON. Then, Mr. Chairman, I want, in the first place, to thank the chairman and the committee for hearing what I may have to say in answer to the letter that I sent. I think I will state the occasion of my writing that letter.

The CHAIRMAN. Very well.

Mr. ATKESON. We saw in the newspapers that an investigation was to be made of the farmers' representatives in Washington, and we immediately addressed this letter to the chairman of this committee, saying that if they wanted to know what we were doing here in Washington, we were perfectly willing to state to the committee why we were here.

Mr. BRAND. Mr. Chairman, if you will permit me just a minute, I want to know, for my own information, if any such statement as that went out of our committee? I was not here when we adjourned for the holidays.

The CHAIRMAN. Which statement do you mean?

Mr. BRAND. Was there a request from this committee that all these organizations should be called before us to show cause why they were operating here in Washington?

Mr. WINGO. I think not.

The CHAIRMAN. I never heard of it.

Mr. KING. Certainly not.

Mr. WINGO. I thought of that, and it might be well to ask the witness what statement he refers to.

As a matter of fact, these hearings started by Mr. Marsh coming down and requesting a hearing; and then it was stated that any other organizations would be perfectly free to come in and we would be glad to hear them on any suggestions that they had to make with reference to any pending legislation or any legislation that they thought proper to initiate. There was no agreement by this committee or no suggestion that we were going to undertake to investigate the numerous organizations that were in Washington purporting to represent the farmers. This committee is not sitting here because they are bringing anybody in, but they are here because they are hearing people who have asked to be heard. Is not that true, Mr. Chairman?

The CHAIRMAN. I think so. Mr. Marsh, in answering some questions propounded by myself and members of this committee, said that he did not object to answering those questions, if the same questions were asked of the other organizations. I said to him that whenever these organizations came before us we would endeavor to find out the very same things we were endeavoring to find out from him. That covers the matter so far as my knowledge goes.

Mr. WINGO. Would it not be well to remove the impression that our asking minute questions as to the organizations and whom they are representing before the committee arises from any desire to look

into their business, but instead that the committee wants to know for whom they speak, so as to know what weight to give to their statements, so as to know to what extent they really speak the thought of the farmers of the country; that it is not out of any criticism of the organizations or their methods, but just to find out whom they represent?

The CHAIRMAN. That is what I said to Mr. Marsh, that it was not in a spirit of animosity but for the purpose of getting information.

Mr. Silver appeared before this committee largely because of a letter which the Federation of Farm Bureaus sent out to Members of Congress. He came here before the hearing, and I discussed with him that letter, and he suggested that it would be a good plan to be heard, so that the farmers of the country could know exactly what their organization was; and that hearing was arranged, and he was here this morning as a result of that situation.

Mr. ATKESON. Well, Mr. Chairman, I think we understand each other.

The CHAIRMAN. Now, you make your statement, Doctor, in your own way.

Mr. ATKESON. So far as I am concerned, I was rather in the disposition to seek this opportunity to say whom we represent and who we are.

In the first place, I think I may say to this committee that I have touched the problems of agriculture at more angles than any other living man. Maybe it is because I have lived longer than most other living men and have had more opportunity, but I think that is true.

I am a practical farmer. I have been engaged in the business, directly and indirectly, all my life, and I am now.

Now, then, I have been a member of this organization known as the Patrons of Husbandry for just about 40 years. I have been officially connected with it one way and another for 38 years, and I think I know its history from start to finish. I do not know just how much of that history I ought to put into this record, but it seems to me that it is worth while that this committee and other committees of Congress should know that this organization has been in existence for 55 years, or nearly 55 years. Its last session, which met at Boston, Mass., November 10-20, 1920, was the fifty-fourth annual session.

It is a fraternal, educational, and social organization—a secret fraternal organization of farmers—and we initiated in the highest degree of this organization at the Boston session 9,838 farmers; and we had in that city at least 15,000 members during the session, representing practically all the States in the Union, except a few of the cotton-growing States. We extend from Maine to California, across the continent.

We started—that is, this organization started—without any intention of engaging in commercial enterprises or legislative influences, but purely with a view of developing better men and better women and better conditions in the country. I have here a little pamphlet which gives this information about it more briefly than I can frame it.

The National Grange is a farmers' fraternity. The full title of this organization is "The National Grange of the Patrons of Husbandry."

Instead of calling its various units by names used by other fraternities, such as lodges or camps or posts, the National Grange has named its units "Granges," and by common consent the term "the Grange," while technically meaning only a single unit of the National Grange, has come to be the generally accepted, commonly used term to designate the entire order, now many hundred thousand strong.

The fundamental purposes of the Grange are to promote the spirit of fraternity among its members and to secure economic, educational, and social benefits, and to fairly present agricultural problems for legislative consideration.

I want to say before going any further that we rather object to being called "lobbyists"—the representatives of this organization.

For more than half a century the Grange has been speaking for the best interests of its members, who are engaged in the business of farming. Its representation at the National Capital is not a "lobby" in the commonly accepted meaning of that term, and never has been. There are no doubtful or ulterior interests to be served by the representative of the National Grange, and no unclean dollars to pay for such services as are rendered.

This committee is perhaps interested to know how much salary I get and how much our office expenses are and the source of our support.

The entire expenses of the National Grange office in this city, in round figures, are about \$6,000 a year; including my own salary and the pay of a stenographer, my secretary, and office rent, printing bills, and all other incidental expenses were last year just a fraction above \$6,200. On the 1st of February we will move our offices from where they now are to the National Bank of Washington Building, and we will be glad to see any Congressman there at any time, and we will guarantee that you will not be corrupted and that you will be just as happy as you ever were when we separate.

The reason I say that we are not lobbyists is that our purpose has never been to unduly influence Congress for any particular or special interest. We think we have an organization that is broad-minded enough and comprehensive enough to consider the welfare, first, of the people of the whole United States and then to concentrate our efforts in producing better conditions on the farms and better citizenship in the open country.

The CHAIRMAN. Will you not just tell the committee how this \$6,000 is provided? The testimony this morning disclosed how the funds were raised to support the Federation of Farm Bureaus. I think it will be well for you to tell us just how your money is raised in support of your organization.

MR. ATKESON. Under the plan of our organization we have local or community organizations, and then we have county or district organizations and State organizations, and then the national organization.

The dues, in the first place, paid by each individual member for his annual dues are \$1.20 a year, or 10 cents a month; and out of that 24 cents a year is paid to the State grange for the support of the State organization, and out of that 24 cents 5 cents a year—up to the last quarter, when the fee has been raised from 5 to 8 cents—

has been contributed to the support of the national organization. Up to the last quarter, for more than 50 years all the money that was ever contributed by any one of the farmers of America for the support of the national grange was the price of one very poor cigar—or not half the price of a poor one nowadays—in other words, 5 cents a year. Now, no farmer in this country has contributed to the support of the national grange, up to the last quarter, more than 5 cents a year; and the expenses of our office in this city have not cost the farmers, members of this organization, as much as one and a half cents apiece annually; so that it is not a very burdensome organization.

The total expense of any member is \$1.20 a year for all purposes, including the subordinate, the State, and the national organizations. We derive no means from any other source whatever except these small contributions by this large membership.

The subordinate granges meet weekly. There are nine or ten thousand of them in the country. The State granges meet annually, and the national grange meets annually, as I said before, the last session having been in Boston. The next one will be in Portland, Oreg. We met in Washington in 1916, which was the semicentennial meeting.

THE CHAIRMAN. Will you explain to the committee how the farmer gets his word to you as to legislation which he is desirous of having passed?

MR. ATKESON. In my legislative or representative capacity here I depart at no time, except in case of emergency, from the declarations made by the national grange. Those of you who will do us the honor to read a little booklet which is now in the hands of the printer—this is the one issued last year which I have here—will find that it contains the action of the national grange at the Boston session on all public questions, and when I appear before committees I always read into the record the action taken by this organization of farmers, and I am here as a representative, but not as a propagandist. I am not here trying to tell the farmers what they ought to do. I waste no time in trying to tell them.

Over at Boston they told me what they wanted me to do, and we will submit in a little booklet to all the Members of Congress this information.

MR. KING. What is that booklet. You might state that for the purposes of the record.

MR. ATKESON. It is entitled "National Grange of the Patrons of Husbandry—National Legislative Recommendations." Now, you will find here a statement of all these subjects.

MR. BRAND. When was that session held at Boston?

MR. ATKESON. We held that meeting on the 10th to 20th of November last. We meet on the second Wednesday after the second Monday in each year. While I shall not read this booklet into the record, this just gives the action. This was the action of the session at Grand Rapids a year ago last winter. The first subject is "Americanism"; second, "Orderly Government"; third, "The Condition of Agriculture"; fourth, "Economy"; fifth, "Nationalization"; sixth, "Industrial Controversies"; seventh, "Land Ownership," and so on. I think I will read just one of these titles. I will read the fifth, on

nationalization, because this title may put suspicion in some of your minds. [Reading:]

While recognizing the evils of uncurbed power growing from swollen fortunes in the hands of unscrupulous and ambitious individuals, the National Grange declares that in the Government of a free democracy is lodged ample power to curb all such evils. We declare our opposition to Government ownership and to nationalization of business and industry unless clearly required in the public interest. We favor the safeguarding and protection of every right of private property on the broad ground that only by the full development of the right of private property can there be perpetuated the full measure of individual initiative and emulation upon which a democracy is based, and by which its future is assured.

Some people who claim to represent farmers will not agree with that declaration.

The seventh item is "Land ownership," involving the whole question. Then we have "Natural resources," "Education," "Taxation," "Production and distribution," "Cooperative marketing," "Corporation control," "Price fixing," and so on.

I may say that war-time price fixing may have been necessary. In peace times the grange regards price fixing as unjustifiable.

Then we have "Packer legislation," "Representation of agriculture," "The Secretary of Agriculture."

We say on that subject, which might interest the committee, that the Secretary of Agriculture should be a practical farmer and should be not only in sympathy with farmers but so identified by ideas, vocation, and effort that farmers will recognize him as one of themselves. The head of the department must be a man around whom agricultural interests and workers will rally with confidence in his leadership. We pledge ourselves to secure the appointment of a Secretary fulfilling these conditions, regardless of politics.

MR. WINGO. What success are you having?

MR. ATKESON. Well, I do not know. You will have to probe the intellect of the President elect.

MR. WINGO. His intellect or the intellect of the "master minds"?

MR. ATKESON. Well, I went over to Marion and had a little chat with the President elect.

MR. WINGO. Oh, you are one of the "master minds"? [Laughter.] So that I was really more practical in my question than I thought.

MR. ATKESON. Yes; I was over there, and I tried to get at what was in his mind. We did not hesitate to tell him what was in ours, but he was a little bit more careful in expressing himself.

MR. WINGO. There is no question that you did not find out what was in his mind, did you?

MR. ATKESON. But if I had, I do not think I should have told this committee.

MR. WINGO. I would not have expected you to, any more than I should have done it.

MR. ATKESON. I should not have done that.

MR. WINGO. I say that I would not have expected you to, Doctor.

MR. ATKESON. No. Another thing I want to say to this committee, that the course pursued by our organization for nearly half a century toward these legislative matters was, when something was pending in Congress that was of special interest to our people—our people includes all these interests like the orange growers in California, the

potato growers of Maine, and others, and everybody in between, but when any special interest was in view in matters of legislation—the legislative committee would come down to Washington, and when they had finished what they came down here to do they would fold their tents and go back home. During those years, nearly half a century, our organization indorsed and promoted practically every act of legislation that had any very direct connection with the agricultural interests of the country.

. I remember very distinctly when there were vigorous efforts made to establish a Department of Agriculture with a Secretary in the President's Cabinet. And I think we may claim, without any fear of serious controversy or objection, that our organization was largely responsible for the establishment of the Interstate Commerce Commission; and practically all the legislation that has followed since the late sixties and early seventies that has had for its object the control of the railroad or legislation to prevent exploitation of the people; and some railroad securities are still distinguished in the market as those of the granger roads. The grange paid for the cost of litigation in one case which was carried to the Supreme Court, which finally settled the question that the railroads were not public utilities when they were securing a right of way over the farmers' land, and became private property afterwards. And that decision established in the Supreme Court the proposition that the creature could not be greater than the creator, and the railroads being the creature of legislation must always remain subject to that creator. You are all familiar with that.

The CHAIRMAN. You are apparently the pioneer of these organizations located here in Washington.

Mr. ATKESON. Yes, sir.

The CHAIRMAN. Do you care to express an opinion as regards these other organizations which have grown up? Is their growth due to the fact that your organization has failed to represent the wishes of the farmers in regard to these matters, or do you care to comment on them, and as to why this great federation of farm bureaus is organized now, which according to the testimony has for its purpose the swallowing up of all other organizations? Do you want to touch on that?

Mr. ATKESON. I do not care, Mr. Chairman, to discuss the farm bureaus. I think I can, in fairness to them and everybody else—because I want to be fair to everybody—say that the grange representatives, these grange legislative committees, began, practically, the agitation of the question of the Federal Government paying part of the expenses for agricultural education. The first record that I have anywhere discovered, of a suggestion that agriculture be taught in the public schools, came from our organization, made by a gentleman by the name of Harwell, from Tennessee, in 1872, and we have favored everything, for 50 years, which had for its purpose the improvement of the humanitarian conditions of the country rather than raising better hogs and better corn and better cattle. When Senator Page introduced his vocational educational bill in Congress a good many years ago I was a member of the National Grange legislative committee, and came down here in support of that measure, which had in it two features. One was an agricultural extension feature and

the other was vocational education which was to include other people than farmers. It included mechanics, and things of that sort.

The thing ran along with more or less growing favor until about eight years ago, when the new administration came in and the old Page bill, with its variations, was divided, and it is now on the statute book with variations, one part of it known as the Smith-Lever bill and another part as the Hughes vocational educational bill. And most of them claim that the Page proposition was a Republican measure, while the laws as passed were Democratic. I mean the personality of the people who introduced the bill.

MR. KING. But not as shown by the votes in the respective parties.

MR. ATKESON. What is that?

MR. KING. That is, as to those who introduced the bill; but not as to the votes in the two Houses.

MR. ATKESON. No; I said as to the persons who introduced the bill. I did not mean to say that that had anything to do with the vote in the House when it was passed. Of course, they were absolutely non-political propositions, and there could have been no political lines drawn, and I do not think there was any attempt to draw political lines.

Now, when the hearings were held before the committee in support of the Smith-Lever bill, it was my privilege to present the grange viewpoint without any effort to influence the committee. We never do seek to influence a committee of Congress beyond the mere matter of presenting what seems to us to be a fair statement of the farmers' understanding of the problem. That is up to Congress, and let Congress use its own responsibility.

As nearly as I remember—and the record will, of course, bear me out or fail to do so, as the case may be—I was the only farmer in America that appeared before a congressional committee in support of the Smith-Lever bill, which created the agricultural-extension departments in our agricultural colleges.

I said a while ago that I thought I had touched this agricultural problem at more angles than anyone else. It was my fortune, or misfortune, to be connected with our agricultural college for 23 years, and so I have seen the whole system grow up, with all its developments, educational and otherwise. Most of the people who are now county agents and engaged in agricultural extension enterprises were school boys when some of us were trying to secure the passage of the Smith-Lever bill.

As to the relation of farm bureau development and these governmental activities, I take it the farm bureaus are able to handle that. That phase of the question I do not care to discuss at all.

THE CHAIRMAN. Would you care to discuss it this far: Is it your understanding that the United States Department of Agriculture authorizes the farm-bureau organizations as under their authority under the Smith-Lever bill?

MR. ATKESON. No; they do not.

THE CHAIRMAN. They do not?

MR. ATKESON. So far as I know, in an official way. I do not know that they object to them.

THE CHAIRMAN. The work of the county agents is along educational lines entirely, as you understand it?

Mr. ATKESON. I understand that they are expected to do just what the Smith-Lever bill provides that they shall do—that is, that they are limited and governed, or should be, by the Smith-Lever Act of Congress.

The CHAIRMAN. You are in very close touch with the operations in these various bureaus. Do you care to tell the committee whether or not, in your judgment, they are living up to the strict letter of the law in that respect?

Mr. ATKESON. I do not think, Mr. Chairman, that I ought to answer that question. I have no particular objection to answering it. It is just that those people are here, and they can answer for themselves. Any information connected with their organization I would rather you would get some other way.

I want to say this, if that is satisfactory: I am not going to stop short of satisfying everybody if I can, but I would rather not answer those questions.

The grange had its beginning just following the Civil War, when there was a great period of unrest in the country; a condition of emotionalism, more or less sensationalism, and very largely radicalism.

Following that period we had the development of the Greenback Party, and the Social Labor Party; and then came along the Populist Party. Our organization had its own troubles during those years, and everybody had troubles during the peculiar conditions that developed.

In a generation or two, and when the great World War was over, we found in this world, not limited to our country, that the whole system of economics was somehow out of joint; enormous debts; a period of unrest; lots of people making a noise about the high cost of living, which is about the most foolish thing that the American public ever did, because there was not any such thing as the high cost of living, relatively. The only time that I have ever known hard times was when the cost of living was at its lowest. The other way around it was always pretty comfortable.

We were confronted with these conditions of unrest, and the development was more or less sensational, emotional, and semiradical, and radical organizations that naturally and normally follow the conditions, and I do not see any way to have preventing their manifesting themselves.

We have lots of laws in this country, but I do not know any that prevents a man from making a darned fool of himself if he wants to. We have unlimited opportunity to do that not only among farmers but among other people.

Mr. KING. Lots of the laws help him to do that.

Mr. ATKESON. That is right. Now, these are conditions that you have been confronted with and that we are confronted with, and that the whole country is confronted with in connection with these farm organizations, and that should be considered in connection with the conditions prevailing in the country. When some of these conditions pass, some of these organizations will pass; and some of the things they are doing and saying now they will not do and say as they are confronted with more normal conditions.

My own state of mind is that no legislation can stop or revolutionize the laws of economics, or the law of supply and demand, or that legislation can make everybody rich or can provide livings for everybody or anybody without some measure of labor; and this world was here before I came to it and before our organization came to it, and it will be here after we are all gone; and that the people who are here then will be confronted with economic conditions, periods of unrest, periods of uncertain future——

The CHAIRMAN. Well, Doctor, in that connection you are not attempting to state that the American Farm Bureau Federation is the result of a situation of unrest in this country, are you?

Mr. ATKESON. Very largely.

The CHAIRMAN. Very largely?

Mr. ATKESON. Very largely.

The CHAIRMAN. Is it not your opinion that it is the outgrowth of the appropriations under the Smith-Lever law that made this federation possible, or do you think it would have come anyway?

Mr. ATKESON. Well, I think you got all the information you need about that this morning.

The CHAIRMAN. The committee, I am sure, would be glad to know, because of the contrast which has been drawn here by your statement and that of the gentleman appearing for the American Farm Bureau Federation, because of the fact that you state that your expenses, all told, are \$6,000 per year, and that it was stated before this committee this morning that the total receipts from the American Farm Bureau Federation are now \$750,000 a year on a membership of 1,500,000, and that the expense of the maintenance of the Washington office is \$30,000 a year. The committee would be interested to know how your organization views this tremendously powerful organization coming in to represent the farmers. Do you care to express yourself along those lines?

Mr. ATKESON. I expect it would satisfy you best by stating that they are six times as influential as we are in Washington; that is, they have six times the amount of the cost, according to your statement.

Mr. KING. You think the more money they have the more influential they are?

Mr. ATKESON. Yes; money talks.

Mr. KING. I do not believe that is true, Doctor.

Mr. ATKESON. I can not get away from the conviction that this sudden and rather phenomenal growth of the farm bureaus is largely the result of conditions. I think I may say this, in fairness to the Farm bureau people, that in the beginning of this agricultural extension work nobody had any expectation that the farm bureaus would be more than an advisory organization for the county agents, made up of farmers in the counties. I do not think that anybody contemplated anything beyond that purpose. They sometimes, in the first place, called them clubs; and then I do not know who invented the name "farm bureau," but the county was made the unit, and they had county bureaus and the county agent called a meeting, and was always active in cooperation with these farm organizations.

The CHAIRMAN. Can you tell us anywhere where the movement of the establishment of county farm bureaus originated?

Mr. ATKESON. How is that?

The CHAIRMAN. Where and when and how did the county farm bureau start? Did it start originally after the appropriation under the Smith-Lever law in 1914?

Mr. ATKESON. Oh, yes. We had nothing—no farm county bureaus that I know of—until after that law; and I never heard the term in connection with the agricultural organizations until after that.

The CHAIRMAN. Where was the movement first started?

Mr. ATKESON. Probably in New York. But if you mean the county agent movement—

The CHAIRMAN. No; I mean these, the present farm bureaus.

Mr. ATKESON. You go back to an appropriation made by the Rockefeller General Education Board, I believe it was, which sent Seaman A. Knapp to the South—and they called them advisers in those days—to teach somebody down there how to grow better crops, how to be more efficient farmers, and that sort of thing. Mr. Knapp made quite a success of his undertaking in the South, and the question was raised of having some one who was competent in each county in the country to advise with the farmers with the view of promoting agricultural production. Theoretically, they justified taking the taxpayers' money to support county agents and agricultural work, on the theory that the men in towns and the taxpayers everywhere must eat, and if by using a certain amount of the public funds they could increase agricultural production and make the country a more attractive and a more desirable place to live, it justified entirely that use of the public funds. I do not think anything else was contemplated by the Smith-Lever law.

What has happened since I have not had much contact with. As I said before, I think it is perfectly fair to everybody to say that when the farm bureaus were first organized no one contemplated more than an advisory body—a local county unit—an advisory body to cooperate with and advise with the county agents, who were paid partly by the Smith-Lever appropriations and partly by State appropriations.

I have understood in a general way in my own State that between the national and the State appropriations for agricultural extension, it foots up somewhere about \$90,000 a year. Of course, with that much money they are able to do a lot of things in the way of encouraging agricultural production. Now, just how much that was responsible for the farm bureaus or the farm bureaus were responsible for it it is not my business, perhaps, to discuss; and we have no quarrel or criticism to make of the farm bureau people, and as far as I am concerned we have no criticism to make of Congress.

Before I knew Congressmen as well as I do now I used to hear a lot of things said about Congressmen and about their being influenced by this illegitimate means and the other; but somehow, since I have known Congressmen pretty well, I have concluded that so far as the average of humanity goes they are above the average. I think that is perfectly true. I have a brother who was elected as the Representative from the sixth congressional district of Missouri, and I am not pleased with the idea that his predecessor can not come back—that is, I think I would like to have both come back. Now, I think he is just as honest as I am, as I think the average Member of Congress is, as they go, and I have never, for myself, allowed

myself to believe that Congressmen were bad; I mean to say all Congressmen, because they are just human, and subject perhaps to all the human weaknesses. But, being above the average of humanity, they are on the average less liable to be improperly influenced in any of their actions.

That is, I think, the state of mind of our organization, and that the responsibility is on Congress after we have presented our view as we see it, perhaps with a special interest or biased interest in our views, that the responsibility is on Congress; and, as I said to some agricultural friends the other day, if Congress were to abdicate, or to come down to my office and say to me, "You write into the statutes any blamed things that you want on agriculture," I would say, "Let it pass." I do not want that job. There are so many things that some people know that are not so that it kind of staggers me once in a while. I gave an illustration of that the other day. When Congress in its wisdom submitted the prohibition amendment and then enacted the Volstead Act some of my farmer friends, especially those who are largely interested in growing wine grapes, were much disturbed. It happens, in Chautauqua County, N. Y., where they grow wine grapes, that our organization is very strong, and the head of our organization is a grape grower in Chautauqua County, N. Y. When prohibition came along those grape growers concluded that was their ruination. A howl went up from all of the grape growers. Up to that time a fair or satisfactory price to the grape growers was from \$10 to \$25 a ton. Twenty-five dollars was the top notch and a very satisfactory price. They sold their grapes last year around about \$125 a ton. Now, they thought prohibition was going to ruin those darned grape growers.

A gentleman from California explained to me a few days ago how it came about that these wine grapes were selling at \$125 a ton now. He said you could not make raisins out of wine grapes, but you can evaporate part of the water out of them so that they can be shipped and kept over, and he said, "When you pour some more water on them they absorb that, and when they have fermented sufficiently they have kick enough to satisfy anybody." And so wine grapes have gone up to \$125 a ton instead of selling for \$10, \$15, or \$20 a ton.

Now, the grape growers were mistaken about that legislation. I always use that as a rather humorous illustration of the fact that there are so many things that we know, or think we know, that when reduced to a demonstration turn out some other way.

I remember a rather distant relative of mine, who lived a number of years ago, when log rollings and house raisings were common in West Virginia, and everybody was in the habit of drinking too much on occasions like that. This old relative—we called him "Uncle Billy"—was at a log rolling, and he got pretty full, and he concluded he wanted to sit down, so he backed up to a log and sat down, and he sat down just a little too far over and fell down flat on his back. The old man raised up on one elbow, and he says, "Well, boys, it is the easiest thing in the world to be mistaken." He thought he was going to sit on that log, and he sat down flat on his back on the other side.

Now, in all seriousness, the conditions confronting American agriculture to-day are serious enough, and they are serious, not from the standpoint of the farmer alone, but when we say that the condition of agriculture is serious enough it also means that the economic conditions of everybody in the country are serious enough. That is, we are confronted with abnormal, phenomenal, economic conditions. It is my conviction that if Congress would write into the statutes everything that everybody wants we would have a miscellaneous mass of heterogeneous incongruities that nobody could quite understand.

MR. BROOKS. Doctor, do you not think that farmers are getting loaded down with too many organizations?

MR. ATKESON. Too many farmers' organizations?

MR. BROOKS. Yes.

MR. ATKESON. Well, I will agree to that, but it is just as certain that there are too many church organizations.

MR. BROOKS. There is no doubt about that.

MR. ATKESON. And I am inclined to think there are too many political organizations.

MR. BROOKS. Yes; I agree with you.

MR. KING. We have reduced them now.

MR. ATKESON. This has come up to us in various ways. We are asked, "Why don't you farmers all get together?" During the days of Mr. Hoover and his Food Administration, on one occasion Mr. Hoover wanted to know who would speak for the farmers, anyway, and he put it a little different, but if I may put it just the way he had it, he said, "This organization claims to speak for the farmers of the country, and the other organization claims to speak for the farmers"—referring to these numerous organizations—and he reached such a degree of enthusiasm that he said, "Who in the h—— does represent the farmers anyway?" I wonder if these Congressmen have not absorbed a little of that problem.

Now, farmers could get together just like the churches could get together. They are all trying to get to the same place, and they all read the same book; and there are about 300 so-called orthodox religious organizations in this country. Now, they could all get together if all of them would come into my church; but I wondered if it was possible to get the farmers together, with some such irreconcilable opinions as we find between some farmer organizations. There are farm parties and farm organizations in this country that believe in Government ownership of everything, even to the point of total destruction of ownership of private property. We find among farmers, like we find among everybody else, or in every other class, a great difference in states of mind, shading off from the most radical—I do not know just what name to use because I do not want to use an offensive term—to the most reactionary; and then you will find farm organizations partaking more or less of those wide differences of states of mind. And new organizations, wherever they exist—and that does not mean that they are wrong—are always more or less radical, with reformers, and new leaders, undisciplined leadership, and a following that does not know where it is going but just knows it is on the way, always more or less emotional and radical. That is so in affairs of religion, of statesmanship or States,

and it is so in every human undertaking, that when a new thing, a new organization, is developed, it must of necessity develop these appeals to human emotional sensationalism and more or less radicalism.

That was true at the beginning of the Republican Party, if I may use that as an illustration. I lived through the beginning of it. I am as old as it is. In the days when it was a new party they certainly were rantankerous enough to satisfy most anybody. They carried fanaticism, radicalism, to the limit. But as it became older and began to steady itself it changed, until some people say that it is a reactionary party now. It has run all the gaits, from rank radicalism to where it is now. Why, they used to call it a radical party—these fellows over in my State did, the people south of Mason and Dixon's line. They not only called it the Republican Party but they called it the "Black" Republican Party. I use that as an illustration only to show that in all great human movements there is always the element of radicalism or of uncertainty, and frequently they burn themselves up; just like a number of farm organizations. We had the Farmer's Alliance a few years ago that swept the country over. They got into politics and came back with the support of the Populist Party; and they had a candidate for President and polled quite a number of electoral votes. I refer to these things to show that it is only natural to expect, as the product of the present times and conditions, a condition that is more or less unstable, a radical state of mind among the farmer people, because it is among all other people, and it is bound to manifest itself somewhere in some way.

Take an organization as old as ours, which is now more than a half century old. It has seen organizations come and go. It has seen hundreds of them, first and last. Some of them have come up and stormed the ramparts of public opinion and passed away. Like Jonah's gourd, they grew up in the night and some kind of worm bit them—political worm, usually—and as it was with Jonah, when the sun came out the next day there was not any gourd vine to shade him.

I remember when the Farmers' Alliance had thirty or forty thousand members in West Virginia; and within something like 12 months they did not have more than thirty or forty members. And I have seen other organizations come about in the same way as the result of human emotionalism. We believe, so far as the grange is concerned, that whether it is right or wrong in the position it takes, it certainly does not assume that other people and other organizations are wrong; because the fact that all of us are inclined to think that people who think differently from us are wrong does not prove that they are wrong. They may be right. It may be that socialism is the salvation, really. I shall not discuss that further.

But, so far as our organization is concerned, it has reached a time of life, with its experience with the various relations in life and the emotional movements in the country, and with its trained and developed leadership, so that it can not be thrown off its feet suddenly. It is not possible. A man can not reach the leadership in our organization overnight. He first serves and shows his ability to the people who employ him in his local organization, and then he attends year after year the State organization, and the representatives from the

various locals come up from the States; and after a while he reaches the leadership or head of his State organization.

The master of the National Grange, who preceded the present one a year ago, was 18 years master of the Illinois State Grange, and he became master of the National Grange, where he served for 8 years. Now, you can not throw men like that off their feet. They may be wrong, of course; they may be reactionary; but the things they do they do deliberately, and our organization is a deliberative organization. We do not meet in a mob or mass and let somebody put over a pre-prepared set of resolutions. Our sessions last 10 days always, and every resolution offered is referred to a committee, just, as you do with your bills in Congress.

We are a deliberative body for these 10 days. Everything, every kind of thing, finds its way into the hopper for consideration. It is referred to the proper committee. The committee considers it and reports favorably or unfavorably on the matter, and then it is discussed in open session and the body takes some action, and when the body has acted and has made it a matter of record it is expected, I believe, that I should come to Congress and present the things that this organization has acted upon are up for consideration, in a large measure I have discharged my duty. When I ask committees of Congress to listen to me I read the action of that national organization, and then, so far as I may do so properly, I present the arguments in support of the measure.

THE CHAIRMAN. You get your chart and directions from the resolutions of the National Grange at its annual meetings?

MR. ATKESON. Absolutely, and I do not assume to advocate any measure that they have not passed upon, unless in an emergency some new thing came up, and in cases of that kind, being familiar with the history of the organization and the precedents that may have more or less bearing, I am left to judge as best I can as to what would be the attitude of our organization if they were confronted with that proposition. But the proposition is always presented, even in that case, to the organization at its next annual meeting, and they act upon it. If they should take an adverse position to that I had taken under this special condition, why, at once I accept the decision of the National Grange.

I would like for the committee—and after this I am through—to get this one proposition straight, that I am here representing responsible people, and only to represent what they are responsible for, and that I am responsible to them if I misrepresent them on the position they have taken at any time.

Now, then, I am not here for propaganda purposes. I am not here to advocate the Ralston-Nolan bill, for instance, which is a land-tax proposition. Our organization is on record against it. Therefore I am against it.

MR. BROOKS. In other words, you do not favor propaganda work?

MR. ATKESON. We absolutely do no propaganda work from Washington. We are here as representing this responsible organization. I mean that we think we are the peers of the average Congressman, in all respect to Congress. We believe that our people are big enough to be Congressmen. And I want to say that there are at least three or four or five of the Senators who are members of our organization,

and there are, among Members of Congress, about a dozen members of our organization.

But the point I want to emphasize is that we are not propagandists—I mean, our Washington office. We are not here to convert the American farmers or the American public as to what they ought to do. If there is any one thing that I would like for this committee to get and retain, it would be that we are representatives and not propagandists. We will not try to teach the American public that Government ownership of railroads is a good thing, and we are not trying to teach the American public that it is not a good thing. But we will try to convince Congress, if we may, that this organization of farmers for themselves and as loyal Americans, at their annual session, have taken a certain position upon an economic question; and we do not want to argue it with you gentlemen. We have no complaints to make, no requirements to make. We have never allowed ourselves to intimate—we never use the words “big business” if we can get around it. I would not know how to think about Congress thinking about being influenced in any illegitimate way. I am willing to assume that, being human, it is possible that it might be so; but only on the broad ground that any human being is subject to go wrong. Even Judas Iscariot, who was in mighty good company, did; and that might happen to Congress. But we have never allowed our organization to believe anything but what Members of Congress are trying to serve the American Nation and the best interests of American people, but with the conflicting interests and with the conflicting impulses, all of which come in to influence men; and that we are dealing with men who are of the highest type of American citizenship; and we only want to sit down with you gentlemen and talk this thing over, in the interests, first of all, of Americanism; and then, if I can not defend the position we take on the general grounds of public policy and the national welfare, I do not want you to accept any of these statements I make, at any time.

I deprecate any class consciousness and any effort to develop class consciousness in the country. We are American citizens. We are entitled to a fair hearing as men, even if we are farmers. And then, since agriculture is the basic industry of the country, and everybody, the Congressman and the humble citizen in the country, depends upon the products of the farm, if we are ever led into assuming a special purpose, or what some might call a special purpose, for agriculture, if I am not able to advocate it upon the ground of public policy or to justify it upon the ground of public policy, I shall not attempt to justify it at all.

I can conceive of conditions—and this is one illustration of what I mean—that would justify it. The statistics of the last census show that 52 per cent of the farms in the State of Illinois are now in the hands of nonresident owners. That means that largely the best farms of Illinois are in the hands of nonresident owners. Now, just how many of those farms will be in the hands of nonresident owners 50 years from now I do not know, but at the present rate of increase in tenancy in Illinois, they will all be in the hands of tenants. They will all be in the hands of nonresident owners, in 50 years from now; and if there is any one thing that is now threatening the foundations of American democracy, it is that one thing. When you de-

stroy the farm homes in the open country, or the homes of the people who live in the open country, when that passes away our democracy becomes uncertain.

As a matter of public policy, if my assumption be correct, if this Congress or any other Congress could by legislation devise some plan that would maintain the farms owned, the farms occupied by our citizenship in the open country, in my opinion they would have done the most patriotic thing, so far as our institutions are concerned, that it is humanly possible to do.

I can conceive to-day that this would be perhaps called class legislation, and in a sense it would be class legislation, and I am not going to advocate it, but I just make a suggestion of this as one thing that would do it. I think that it is humanly unattainable, in the state of mind of the American, at least; that is, to have a graduated land tax, which has nothing to do with the single tax, but is based on our graduated income tax, a graduated land tax. A low tax on the first unit of value, which, of course, would have to be arbitrarily fixed at, say, \$5,000, provided a man lives on the land and cultivates that unit of value. Then, for every additional unit of value, to increase the tax until you reach the place where a man could not get enough out of it to pay the taxes on it. Now, maybe that would be class legislation, but I am thoroughly convinced that as a matter of public policy it may some time be justified. Perhaps that is not the remedy, or there may be a better one; but I think I do know that it is greatly to be deprecated that the lands in this country are getting to be owned by people who do not live on and cultivate them.

Mr. BROOKS. May I ask you, right there: Do you think people are moving from the farms because of the taxes they have to pay?

Mr. ATKESON. That has something to do with it. The suggestion of taxation, though, is to reach the point of taxation where a man could not pay the taxes, and therefore could not own the land.

Mr. BROOKS. No; but you said that so many of the farms were being owned by nonresidents; by city people, I suppose you mean.

Mr. ATKESON. Nonresidents. They are not city people many times through the Central West; they are people who inherited those lands, in many cases, and who have moved off to the towns and rented the lands to tenants.

Mr. BROOKS. The people see a profit in them or they would not buy them, even though they have to pay the taxes on them.

Mr. ATKESON. It does not make any difference how they got the farm; the point I am trying to make is this—that it would be better for the Government as a matter of public policy if the people who owned the land lived on the land. That is what I was trying to illustrate.

I have a son in southern Alabama living on a farm, and he is surrounded with Negroes, and he does not like to live out there. But if our farms are to be occupied and cultivated by a ramshackle tenantry, that is the end of churches and schools in the country; and the country ceases to be a desirable place for an American to live and raise his family. That is where our best people have been raised heretofore.

I am referring to these matters to show that by public policy you may justify what would seem to be class favoritism. I believe it

good public policy, and if somebody can devise a way to keep the people of this country on the lands who own them and have them occupy them and become permanent citizens in order that they may maintain good country schools and good country churches and social conditions, it is the greatest thing that could be done for the Nation.

Change those conditions, and there will be further migrations to the towns.

Now, I think you had in mind the question as to why so many people are leaving the country and going to town.

MR. BROOKS. I had in mind this, that I did not believe the people were leaving the farms because they had to pay taxes.

MR. ATKESON. No; I do not believe that.

MR. BROOKS. I believe if they were tax free they would still leave the farms and go to town.

MR. ATKESON. Not because they have to pay taxes there; but the reason, outside of the social question that comes in to influence them, why they are leaving the farms is, they are mainly leaving the farms because they think they can do better somewhere else; and I would think they were all fools, if they think that, if they did not leave the farms.

MR. BROOKS. Any adjustment of the tax question would not keep them there.

MR. ATKESON. Possibly not. I would use the tax remedy, if at all, to induce ownership of lands by those who occupy them.

Now, there seems to be no serious reason for regretting so many people going to town. I have not worried because farm hands were scarce on the farms. The indications now are that we have raised too much stuff already; and, as a farmer, if half the people who are now on the farms would go to town I would like it. I am a farmer, pretty largely engaged in actual production, and it would be an advantage to me if half the people that are engaged in production would hike off to town and go to selling peanuts. We have grown too much stuff in this country; more than we can get a price for that will pay the cost of production.

Now, suppose that half of the people on the farms were to go to town; they would still keep on eating, wouldn't they? And it would reduce production. And if enough of them go to town, we would get a profitable price for our products. It reminds me of the old-fashioned spelling class, where they were all lined up, and every time there was a little disorder in the class, somebody would be sent down to the foot of the class, and the fellow that had always stayed at the foot of the class looked up toward the head and said, "If those fellows keep on going down, I will be up head after a while." If all these fellows will just keep on leaving the farms, I will be up head after a while; there is not any question about that. Now, they will keep on leaving the farm as long as they can do better somewhere else, and they ought to. But the time must come, if this flow continues to the towns, when it will turn the other way, because they can do better outside.

MR. BROOKS. After all, the question of supply and demand regulates all these economic conditions?

MR. ATKESON. Undoubtedly. A gentleman from Baltimore came into my office a while ago and wanted me to favor the passage

of a bill which would provide that people could not leave the country and go to town. That was one remedy; if Congress would enact a bill that would not let the son of John Smith, living out in the country, go to town. Well, I do not know what kind of anarchist he was. But as long as we are a democracy and people may go where they think they can do best, they will continue to go to town when they want to. I have not felt much like weeping, and my organization has not shed any tears, over this migration of the country people to the towns.

Now, if anybody thinks—this is a little foreign to the question I was talking about—if anybody thinks that the farmers are the only people who are going to get hurt, they are mistaken. I lived through the period following the Civil War, when I saw, with variations and modifications, this same condition that we have now, and I helped drive the nails in an old-fashioned plank fence that my father paid \$8 a keg for. A few years later I helped to drive the same kind of old-fashioned, cut, 8-penny nails, made at Clifton, on the Ohio River, that my father paid only 90 cents a keg for. There is nothing left there now but the foundations, where those nails were made. The factory went bankrupt. There have never been any nails made there since. When we were arguing about the high cost of living, Mr. Gompers said, "Wages will have to keep on going up because of the high cost of living." But I said, "That is all right, Mr. Gompers. Admitting that the cost of living is twice what it was in the prewar days, wages ought to be, on that basis, twice as much. But what about it when normal conditions are restored and the cost of living comes down to half what it is; what about the wages of labor then?" He went right up in the air. Labor could never come down. Well, it has got to come down. There is not any escape from it, without other things are to go up and a high level of prices maintained. All these fellows that have been raising something to eat are going to come to Washington to work at the carpenter trade, or something else, at a dollar or more an hour, if those wages are paid here. They can not get that out in the country. Wages have got to come down—that is all there is to it—or the other thing has got to go up, or it means somebody has got to go hungry.

Mr. BROOKS. It has come now to where a lot of people are wanting legislation from Congress to help the farmer, and there is not any legislation possible for Congress to pass that will help very much. That is my opinion.

Mr. ATKESON. Yes. Many people expect too much of legislation. These things will equalize themselves. Our organization tries to take a broad view of all these problems, and we talk them over among ourselves. We think we have developed some measures, submitted by our organization, which, in a perfectly confidential and frank manner, we are here to talk over with Members of Congress; not to bluff nor to bulldoze nor to threaten, or anything else, but to meet you on the dead level and present as best we can from our standpoint the views of our organization with reference to this basic industry upon which every other industry in America depends. Now, if we can be of service to Congress or to our country, we are here for that purpose, as representatives and not as propagandists.

Mr. WINGO. How many members have you in your organization?

Mr. ATKESON. In round numbers, we claim about a million. We have about 9,000 subordinate organizations, and organizations in 35 of the States, running clear across the country. It was at one time very strong in the South, but the farmers' union and the farmers' agents coming along kind of squeezed us out; but our national master is in North Carolina now, and we are organizing Virginia and going down into North Carolina.

Mr. WINGO. I was very much interested and, of course, appreciate the fundamental philosophy underlying your discussion of the reasons why you have so many different farm organizations, the chief of which was that there is a difference in opinions. There are honest differences of opinion. Necessarily, that has led to conflict in the convictions and views of your different organizations. Your organization honestly and sincerely believes certain things. Another organization honestly believes that Government ownership—to take that as an illustration—is the proper thing. In your opinion, is that the chief reason why you have so many different organizations?

Mr. ATKESON. I think so.

Mr. WINGO. I have no desire to try to bring out offensive ideas, and I know that you have not either. We have just covered that. But we will take one of the organizations just mentioned, the Farmers' Union. As far as you care to go, and with proper regard to the proprieties, which I judge you wish to conform to, what are the fundamental conditions and conflicts of opinions and views between your organization and the Farmers' Union?

Mr. ATKESON. Well, there are a number of differences. In the first place, we are a fraternal order. You might ask what is the difference between the Freemasons and the Odd Fellows, and why do they not get together? Could you answer that question?

Mr. WINGO. Well, I belong to both, but shall not discuss them, though I could suggest this to you, that 90 per cent of the Odd Fellows are Masons.

Mr. ATKESON. That is, there are certain human interests, local, or wider than local, that bring people of a similar state of mind together.

Mr. WINGO. You realize the point I want to get—possibly I did not make myself clear. It is not a question of argumentation, but for a question, purely of differentiation; for consideration for what it is worth, what are the fundamental differences? Take the things that you stand for and the things they stand for, what are the fundamental differences between your fundamental principles and lines of effort, those of the Farmers' Union?

Mr. ATKESON. As I understand, the Farmers' Union is devoted almost entirely to commercial interests, in promoting—

Mr. WINGO (interposing). You mean material interests?

Mr. ATKESON (continuing). Promoting the financial interests of the farmers.

Mr. WINGO. Yes.

Mr. ATKESON. Then, there are some other organizations of farmers. One of them, the Nonpartisan League, say that they are devoted primarily to the promotion of the political interests of the farmers. And people of a similar state of mind, whatever the ques-

tion involved may be, naturally gravitate together; and, then, possibly they develop more or less a state of rivalry of leadership.

They used to tell a story of a certain prominent citizen who went to Hades, and he wanted to get in, and the gatekeeper said, "No; I couldn't let you in here." He said, "If I did you would want to run the whole institution inside of a week, and we can't have that. But I'll tell you what I will do. I will let you have a little fire and brimstone, and you can go off by yourself and have your own little hell if you want to."

Mr. WINGO. As I understand, you make the distinction that the Farmers' Union is trying to promote the commercial and financial interests of its members as contradistinguished from the purposes of your organization, which are trying to promote the social welfare?

Mr. ATKESON. And educational and fraternal.

Mr. WINGO. And fraternal?

Mr. ATKESON. Yes.

Mr. WINGO. You frequently find yourselves in conflict in your opinions on pending legislation, I believe?

Mr. ATKESON. Not very generally with the Farmers' Union. I think on most questions of legislation we are in pretty close accord.

Mr. WINGO. I believe as a rule you two are more nearly together.

Mr. ATKESON. Yes.

Mr. WINGO. You are more nearly together than, for instance, than and you and Mr. Marsh are?

Mr. ATKESON. Yes. As a general proposition, but not always, when you know where Mr. Marsh is you know where I am not.

Mr. WINGO. I have suspected that.

Mr. ATKESON. It is no use to ask me. Usually when you know where he is you know where I am not.

Mr. WINGO. Now, apropos of your statement, that economic conditions, and the law of supply and demand, are the controlling factors; you do think, though, that legislation, proper legislation, can have something to do with the effect of economic forces and the effect and application of the law of supply and demand? You do think that, do you?

Mr. ATKESON. I do think so, and I think we can interfere temporarily, absolutely, with the law of supply and demand. The law of gravity is interfered with every time an aeroplane leaves the earth. It has interfered with the law of gravity, temporarily and artificially. But there never was an aeroplane that went up from this earth that will not come down some time or other, some place, and if the condition which exists interferes with the law of supply and demand, it must find its level some way.

Mr. WINGO. By the same token, do you think certain prices are going to come down?

Mr. ATKESON. Yes, sir; that is, they will all come down or all stay up.

Mr. WINGO. They have got to do that. After all, the farmers, like any other group in America, are more interested in the uniform level of prices than in the prices themselves.

Mr. ATKESON. Yes; and stable prices.

Mr. WINGO. I say, stable prices; the relative condition of prices. In other words, prosperity can not exist when farm products come down low and the manufactured goods the farmer has to buy are away up; nor does the wage earner or the manufacturer prosper when his wages and costs of manufacture are low, and then he has to pay a high price for his foodstuffs. Your idea is that it is better to have a higher level than a low level?

Mr. ATKESON. That is my opinion, that the higher level is better than the low.

Mr. WINGO. It gives a greater opportunity for saving?

Mr. ATKESON. Yes. Every time I have known hard times it was not when the cost of living was at its lowest.

Mr. WINGO. You were a little bit lonesome, I guess, a year ago, when everybody wanted to bring everything down?

Mr. ATKESON. No; I thought they were mistaken. Everybody was talking about the high cost of living.

Mr. WINGO. I had reference to the fact that about a year ago everybody was clamoring for the reduction of prices.

Mr. ATKESON. Yes; and I do not know any way to reduce them and keep them up at the same time.

Mr. WINGO. I do not, either.

Mr. ATKESON. I give it up.

Mr. WINGO. I, myself, have been impressed by a few fundamentals as I have gone along.

Mr. ATKESON. So that if we were to reduce the price of living, all the things we live on had to come down. But there was one thing I would like for this committee to remember. These matters are getting a little off of what I wanted to talk about, but your questions bring it out. About 18 months ago we had on my farm, my son and myself, in partnership, a lot of sheep, high-grade Southdown ewes. He came to me and said, "How about selling these ewes?" I said, "Well, they are pretty fine, and we can not do any better. I do not know about it." He said, "Well, you can keep your half if you want to, but I am going to sell. I will sell you mine if you want to keep them." He insisted on selling them, so I said, "All right, you sell them all." He sold those sheep for \$16 a head, and the man who bought them had to sell them for \$6 a head within less than a year, and now he would do well to get \$3 a head. Now, the price of living was going down so far as mutton was concerned on that farm, but during these two years I have been here in Washington, every once in a while I eat lamb chops, and the price of lamb chops in Washington has run along from 60 cents to \$1.50 for two little chops. Now, I paid just the same price for lamb chops when he sold those sheep for \$16 a head that I paid yesterday when the sheep would not sell for more than \$3 a head. I am wondering if I would not still have to pay 65 cents to \$1.50 a lamb chop if the sheepgrower did not get anything for the sheep.

Mr. WINGO. I suspect you would. That brings up another question.

What, of a practical nature, can you suggest that might be done by the Congress enacting legislation along the line of marketing? That is one of the problems of the farmer. What can we do that will

be practical, that will be of real benefit, and that will not add an expensive machinery without granting any economic relief?

Mr. ATKESON. Take the lamb chop for an illustration. If the committee is willing to take its time for these things, I am; I enjoy it.

Mr. WINGO. I do not know how the rest of the committee feel, but I am interested in your viewpoint.

Mr. ATKESON. There are just two things that enter into the cost of anything. The tariff people talk about raw material. There is no raw material in this world but what the Creator made, and where He made it. The plant food in the soil is raw material. As it develops into corn, the man who produces the corn has produced the finished product, so far as that is concerned, and so he is interested in marketing that.

But nowadays the bulk of the sheep of this country are out on the plains. There are some scattered over the farms all over the country. So far as I know, everybody in the United States, of our 105,000,000 people, can have lamb chops for breakfast to-morrow morning if they have got the price. Now, when we take into consideration that these 105,000,000 people are to have distributed the products of the plains of this country in the shape of lamb chops, the machinery of distribution must be enormously expensive. We talk a good deal of loose talk about what happens between the producer and the consumer of farm products.

There are just two things that enter into the price that the consumer pays, and two things only, and they are labor and profits. From the raw material—and on the farm the raw material is the plant food that nature puts into the soil that makes grass grow, and growing grass makes lambs grow—at every stage it is the finished product of somebody.

What we pay for lamb chops in Washington is covered in just two things, labor and profits. Now, maybe labor is getting too much for these various items all the way through, operating the railroads and the packing plants, and the retail stores, and the hotels; and jobbers. Maybe the labor item is getting too much money. If that is not true, then maybe the profits are too large somewhere along the tortuous route from the plains of Wyoming to the breakfast tables of Washington. But those items are the only two items that enter into the cost. Now, when we philosophize on this matter and undertake to talk about the marketing question, we are in the habit of doing a lot of loose talk—Congressmen and all of us. Whenever you attack that problem, you attack just those two things. Everybody that contributes labor to the movement of these farm products to the ultimate consumer, and everybody that secures a profit, will put their cards on the table and say, "Am I a profiteer?" And every one of them will prove an alibi. We have done that over and over before courts, and still there is the deep-seated conviction in our organization and in the public mind that the spread between the producer out in the country and the ultimate consumer in the city in this country is too great; that the cost of distribution is too great. Now, we have dug into that from many angles—I mean our organization—and we have tried to deal with it without any looseness. We have tried to get at the facts as to where the trouble is, and we have to confess that we are not wise enough to determine where the trouble is.

Mr. WINGO. So that you have no suggestion to make of any concrete plan that Congress might adopt that would meet that situation practically?

Mr. ATKESON. No; we have not. But it is more a consumers' problem than a producers.

Mr. WINGO. Have you in mind any legislation of a financial character that you think this committee could report out—proper legislation—that would be of probable benefit to the American farmer?

Mr. ATKESON. Do you mean for this committee to recommend?

Mr. WINGO. For this committee.

Mr. ATKESON. On Banking and Currency?

Mr. WINGO. Yes.

Mr. ATKESON. There has been a good deal of loose talk in the country about financing the farmer. More farmers have been hurt in the last year by being financed than in any other way. I had a concrete illustration of this. My son was growing cotton down in southern Alabama. When the slump in the price of cotton came on I thought I would be generous to the boy, and I wrote to him and told him if he thought he ought to keep his cotton—the atmosphere was full of financing for the farmer—I would finance him. I thought I would just finance the boy and let him make some money out of it, so I wrote and told him if he wanted to keep his cotton for a better price he could just call on me for what he wanted. I got a letter back very soon, and he said he had just sold his cotton for 27 cents, and he thought that was better than 15 cents, and he said that he could not get 12 cents now, so that if I had financed him instead of his selling his cotton at 27 cents he would have been selling it at 12 cents.

As a general proposition the farmers in this country who have got large amounts of wheat or large amounts of anything else are in position where nobody is going to crush them if they have the collateral and are in condition to finance themselves for five or six months and keep it. But after going over the records kept by my father and myself covering a period of 75 years—and that is worthy of the greatest consideration—dealing with the wheat question, I find that my father for more than 60 years kept a diary, giving the price of wheat at thrashing time and the price of wheat when he sold it, and he never did sell it from the thrashing machine. He usually sold it the 1st of May, and the difference in prices of more than 60 years in his earnings does not show an increase on the average of 8 cents a bushel on wheat, and when you take into account the extra risks from panics and storms and the risk from lightning and fire—and he did not insure it—if he had paid insurance and interest it would have brought him out in debt for the 60 years. There were years when he made 50 cents a bushel, and there were years when he lost more than 50 cents a bushel by not selling it at thrashing time.

Mr. WINGO. So that your idea is that the farmer does not need financing now?

Mr. ATKESON. Financing did not help my father any. He did not make anything by keeping his wheat.

Mr. WINGO. You spoke of your son. When was it that he sold his cotton last fall?

Mr. ATKESON. It was when it was about 27 cents.

Mr. WINGO. What month was that?

Mr. ATKESON. I do not remember. It was about the time it was ginned, though.

Mr. WINGO. He was in southern Alabama, was he not?

Mr. ATKESON. Yes; down in the southeastern corner of the State.

Mr. WINGO. What is going to happen to the farmer who lived in a belt where his cotton cost him—in money paid out in actual labor and cost of maintaining himself and family—from 23 to 30 cents a pound, and who could get only 11 cents a pound for his cotton when it came out? What is going to happen to him?

Mr. ATKESON. Just what is going to happen to all of us when the cost of living goes down.

Mr. WINGO. Suppose he can not sell it at all, what is going to happen to him and his farm?

Mr. ATKESON. He is going to be adjudged in bankruptcy, and I do not see any escape from it.

Mr. WINGO. You do not see any escape from it?

Mr. ATKESON. Absolutely not, unless somebody is going to keep him from it. I could have kept my son from bankruptcy, because I could have financed him. But how are you going—by legislation—to make somebody pay more for that crop than somebody is willing to pay? In other words, in all of my experience I never was able to sell anything if I could not find a buyer. I never found a buyer that took into the account at all what it cost me to produce the thing I wanted to sell.

Mr. WINGO. Did you ever find a buyer that did not have current cash, who offered you a credit that you could not use, and you had to find another purchaser? In other words, did you ever find a buyer, when you wanted to sell your wheat for cash, who said: "I have no cash, but I have a horse and some sheep I will trade you"? Did you ever have trouble in finding the medium of exchange that would affect the transaction?

Mr. ATKESON. All of those problems concern the interests of the farmer.

Mr. WINGO. Yes, I know; and they concern other people, too.

Mr. KING. May I put a concrete case to you for advice?

Mr. ATKESON. Yes.

Mr. KING. Two young men in my county in the early part of the year went to farming, and they equipped themselves. Harness and horses were high and all of their equipment was high in price. They put in a crop of corn. It cost them 70 cents a bushel to put the corn in. To-day it is worth only 50 cents. If they could have carried that corn a little while they could have gotten out. Does not the gentleman think they could have been relieved by some legislation that would have extended credit to them the same as has been given to the interests of the country who have been hoarding corn, for instance, or other supplies? If the credit of the Government had been extended in some way through the Federal Reserve Board to those boys they would have been saved and they would have stayed there. Now, they have lost everything, they have gone away, and they never will be able to get a start again to take a farm—two good young farmers.

Mr. ATKESON. You will find that same thing on a declining market everywhere. It is not peculiar to the farmer.

Mr. WINGO. You said that the farmer, if he had good collateral, could finance himself anywhere in this country. You did not intend to leave that impression, did you?

Mr. ATKESON. What is that?

Mr. WINGO. You did not intend to leave the impression with the committee that anyone in the United States—a farmer—could borrow anything he needed to meet his legitimate needs?

Mr. ATKESON. No; I said the man who was able to carry things over and determine for himself when he would sell them, and very frequently he was mistaken in holding things over and lost rather than made by keeping them, and frequently by financing a man who might be induced to keep things he would lose by keeping them.

Mr. WINGO. After all, has he not as much right to decide when he will sell his wheat or cotton as the millman has to decide when he will run his mill and when he will stop it?

Mr. ATKESON. Yes.

Mr. WINGO. Is he not entitled on his own initiative and his own responsibility to the same credit facilities as the millman?

Mr. ATKESON. Exactly the same. As a commercial proposition the farmer is entitled to all the advantage that anybody else has, but I do not believe that anybody would maliciously or deliberately discriminate against the farmer. In a good many instances he has been unwittingly discriminated against, and unintentionally, simply because of failure to understand the situation.

Mr. WINGO. Would you think that a bank had discriminated if it had discounted paper that would enable a man to buy 284 bales of cotton and hold it until the price had gone up and the same banking system had refused to grant the customary annual credits to the farmers who produced that cotton to hold it when they wanted to assume that risk; that is, one they have a right to assume themselves?

Mr. ATKESON. Unquestionably, if the bank did that, it was because it was wanting or desiring to benefit the middleman or the holder of the cotton. But maybe the bank had other reasons for preferring—

Mr. WINGO. Suppose the only reason it gave was that this bank should not be used as an agency to enable the farmer to hold the products off the market; would that be any justification?

Mr. ATKESON. I do not think so.

Mr. WINGO. Would there be any justification for a banker granting credits to men to carry liquor in bonded warehouses and saying, "That class of paper is eligible for discounting across my counter, but the paper of the wheat growers of Kansas is not so. You ought to have gone and sold it and let the other people get the profit." Is there any justification for that?

Mr. ATKESON. We object to discrimination under any circumstances.

Mr. WINGO. In other words, the point you want to make is this: That you come here as a farmer, and you are not asking for any special privileges, but you do ask that the same privileges may be given to the farming class; and you say that the public itself has an interest in the basic industry of agriculture, so that legislation which might appear sometimes to be class legislation, as a matter of fact

is justifiable on the ground of public policy because the benefit to the class spreads out and inures to the whole.

Mr. ATKESON. Yes, sir. That is exactly my position.

Mr. WINGO. I am glad to know that. I find a good many gentlemen who frequent the halls of the Capitol who have not discovered that.

Mr. ATKESON. I said a while ago on that subject that I would not undertake to defend a thing that we could not defend on the ordinary level of commercial interest or on the ground of public policy; and both those principles prevail.

The CHAIRMAN. Gentlemen of the committee, this is all very interesting. Have you finished now, Doctor?

Mr. ATKESON. I am through.

Mr. WINGO. I believe he has stated the position of his organization.

The CHAIRMAN. Yes.

Mr. WINGO. And you have no specific request to make of this committee at this time for legislation?

Mr. ATKESON. No.

The CHAIRMAN. Unless there is something else, a motion to adjourn is in order.

(Thereupon, at 4 o'clock p. m., the committee adjourned.)

